

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**May 7, 2007**

**TO:** Honorable Kevin Bailey, Chair, House Committee on Urban Affairs

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: SB1185** by Nelson (Relating to certain low-interest home loan programs offered by the state.), **As Engrossed**

<b>No fiscal implication to the State is anticipated.</b>
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In Section 2306.562, Government Code, the definition of eligible applicants would be expanded for the professional nursing program. Upon passage, graduates from allied health programs as well as the faculty would be eligible to participate.

Additionally, the income restrictions would be raised to the maximum amount permitted by the Internal Revenue Code.

The bill would take effect September 1, 2007.

This cost estimate only addresses the issuance of debt by the Texas State Affordable Housing Corporation and does not evaluate the feasibility or the operating costs associated with planned project. Since the bill merely expands the eligible pool of proceeds recipients and not the amount to be issued, there should be no additional fiscal impact.

Historically, qualified mortgage bonds issued by state agencies such as the Texas State Affordable Housing Corporation Land Board and the Texas Department of Housing and Community Affairs have been self-supporting, meaning that mortgage payments paid by the beneficiaries of the programs should be sufficient to pay the debt service on the bonds.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 332 Department of Housing and Community Affairs, 352 Bond Review Board

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